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Industrial Development Board

Twenty-first session

SUMMARY RECORD OF THE 5th MEETING

Held at the Austria Center Vienna,
on Monday, 29 November 1999, at 6 p.m.

President: Mr. REGUIEG (Algeria)

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The meeting was called to order at 6.30 p.m.

OPENING OF THE RESUMED TWENTY-FIRST SESSION

1. **The PRESIDENT** declared open the resumed twenty-first session of the Industrial Development Board.

2. The purpose of the resumption was to consider the conclusions of the Intersessional working group on proposed amendments to the financial regulations, with a view to submission to the General Conference, at its eighth session, for appropriate action and the adoption of a decision.

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE:

(j) IMPLICATION OF THE EURO FOR UNIDO (*continued*) (IDB.21/29, IDB.21/30, IDB.21/31)

3. **Mrs. FREUDENSCHUSS-REICHL** (Austria), speaking as chairman of the intersessional working group on proposed amendments to the financial regulations, said that the Board, in its decision IDB.21/Dec.8, had extended the working group's mandate to include deliberations on all aspects relating to the possible adoption of a single-currency system of assessment based on the euro.

4. In compliance with that decision, the working group had held two meetings, on 22 October and 18 November 1999, during which the Secretariat had made presentations. In response to queries raised at the first meeting, the Secretariat had circulated a supplementary paper on 9 November 1999. There had been a wide exchange of views, both among Member States and between Member States and the Secretariat. Satisfactory information provided by the Secretariat had enabled a draft decision to be prepared on the implications of the euro for UNIDO. That decision had met with no objections by the working group. She wished to recommend that the decision be adopted by the Board without a vote.

5. **Mr. GRÖNBERG** (Finland), speaking on behalf of the European Union, together with Bulgaria, Cyprus, the Czech Republic, Hungary, Lithuania, Poland, Romania, Slovakia and Slovenia, said that, in initiating the proposal for the adoption of a single-currency system based on the euro for contributions to the regular budget, the European Union had been convinced that such a measure would be to the benefit of UNIDO and would not have negative effects on the current situation of its Member States. That view had been borne out by the extensive discussions held in the working group. Euro-budgeting would be an efficient tool for management, leading to greater transparency and efficiency, and the effects of exchange-rate fluctuations would be minimized.

6. The decision of the Director-General to invest in a new information technology system for UNIDO would enable Member States to be better informed about the situation and activities of the Organization. In support of UNIDO's implementation of the euro-budgeting system, the European Commission was willing to provide cost-free technical assistance to the Secretariat.

INTRODUCTION OF A DRAFT DECISION

7. **The PRESIDENT** drew attention to the draft decision contained in paragraph 3 of the report of the working group (IDB.21/31).

8. *The draft decision was adopted.*

ADOPTION OF THE REPORT OF THE RESUMED TWENTY-FIRST SESSION

9. **The PRESIDENT** said that it was necessary to complete the report of the session as soon as possible for presentation to the General Conference. In view of the little time available, he proposed that the report be prepared by the Rapporteur, who would finalize it, in consultation with him, for submission to the Conference.

10. *It was so decided.*

CLOSURE OF THE SESSION

11. **The PRESIDENT** declared the session closed.

The meeting rose at 6.40 p.m.